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TAGS: [PREL](#) [UNSC](#) [IZ](#)

SUBJECT: AMBASSADOR KHALILZAD DISCUSSES PROTECTION OF IRAQI
ASSETS WITH IRAQI PRIME MINISTER NURI AL-MALIKI

Classified By: Classified by Ambassador Ryan Crocker for reasons 1.4 (b)
) and (d).

Summary

[11](#). (C) On December 1, U.S. Representative to the United Nations Zalmay Khalilzad discussed with Prime Minister Nuri al-Maliki next steps to protect Development Fund for Iraq (DFI) assets through a new United Nations Security Council resolution (UNSCR). Khalilzad urged Iraq to quickly submit a draft resolution to the Security Council and explain why Iraq still needs financial protection. Regarding the bilateral Status of Forces Agreement (SoFA), PM Maliki told Khalilzad that he does not expect Iraq to hold a popular referendum on the agreement. End Summary.

Must Act Now to Protect the DFI

[12](#). (C) Iraqi Prime Minister Maliki hosted at his residence December 1 the U.S. Ambassador to the United Nations Khalilzad, Ambassador Crocker, MNF-I Commanding General Odierno, Iraqi Foreign Minister Hoyshar Zebari, Interior Minister Jawad Bulani, and Oil Minister Husayn al-Shahrastani.

[13](#). (C) Ambassador Khalilzad said the U.S. was committed to working with Iraq to protect its Development Fund of Iraq (DFI) assets through a new UN resolution before the current one expires at year's end. He urged Prime Minister Maliki to quickly submit to the United Nations Security Council a draft resolution that is narrowly focused, and not encumbered by tangential issues. Khalilzad recommended that Iraq explain to the UNSC that without this protection, Iraq's financial assets would be in jeopardy from Saddam-era claims and without these funds, Iraq's security could be harmed. Khalilzad also explained that Iraq should begin to address the outstanding claims levied against its assets and, if claims are unjustified, explain why. Maliki indicated that Iraq will begin to respond to these claims, even though Iraq likely would refuse these claims. Maliki also acknowledged the importance of working quickly in the UN and thanked the U.S. for its support.

[14](#). (C) Maliki asked how long this new extension should last. Khalilzad responded that its duration should be long enough for Iraq to properly address claims against its assets, but that a shorter extension would be easier to pass through the UNSC. The Prime Minister was interested in what countries currently sit on the UNSC and who needs to be convinced. Khalilzad answered that we should start with the Permanent Five, and then move to countries such as Libya and South Africa. Maliki said Russia has invited him to Moscow, and was optimistic the Russians would listen to his arguments. Maliki asked for continued guidance from the U.S. on how to work the DFI issue within the UN. Maliki added that Iraq will donate \$50 million over two years to assist in the

construction of a new UN building.

Positive Impact of the SoFA

15. (C) Khalilzad praised Maliki for his courage in obtaining the Iraqi Parliament's approval of the SoFA. Maliki said it was difficult to change the mindset in Iraq about the agreement but the public reaction since the parliament's vote has been unexpectedly smooth. Khalilzad said having a friendly and public dialogue about such an issue is a rarity in this region. When pressed, Maliki predicted there would be no referendum on the SoFA, but did not specify why. Maliki said it would be impossible to complete a SoFA with other members of the Coalition because of the difficulty of other members of the Coalition because of the difficulty getting another agreement through the CoR. Rather, Iraq will seek separate bilateral pacts with the United Kingdom and other countries.
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